



General Assembly

February Session, 2016

**Committee Bill No. 5109**

LCO No. 1945



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Referred to Committee on FINANCE, REVENUE AND  
BONDING

Introduced by:  
(FIN)

**AN ACT ESTABLISHING A TAX CREDIT PROGRAM FOR  
EMPLOYERS WHO OFFER ON-SITE CHILD DAY CARE OPTIONS  
FOR EMPLOYEES.**

Be it enacted by the Senate and House of Representatives in General  
Assembly convened:

1 Section 1. Section 12-217x of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective January 1, 2017, and*  
3 *applicable to taxable years commencing on or after January 1, 2017*):

4 (a) For purposes of this section, "human capital investment" means  
5 the amount paid or incurred by a corporation on (1) job training which  
6 occurs in this state for persons who are employed in this state; (2) work  
7 education programs in this state including, but not limited to,  
8 programs in public high schools and work education-diversified  
9 occupations programs in this state; (3) worker training and education  
10 for persons who are employed in this state provided by institutions of  
11 higher education in this state; (4) donations or capital contributions to  
12 institutions of higher education in this state for improvements or  
13 advancements of technology, including physical plant improvements;  
14 (5) planning, site preparation, construction, renovation or acquisition

15 of facilities in this state for the purpose of establishing a day care  
16 facility in this state to be used primarily by the children of employees  
17 who are employed in this state; (6) subsidies to employees who are  
18 employed in this state for child care to be provided in this state; [and]  
19 (7) contributions made to the Individual Development Account  
20 Reserve Fund, as defined in section 31-51ww; and (8) operation of an  
21 on-site day care facility located in this state to be used primarily by  
22 children of employees of such corporation.

23 (b) There shall be allowed a credit for any corporation against the  
24 tax imposed under this chapter in an amount spent by such  
25 corporation, as a human capital investment as follows: For any income  
26 year commencing on or after January 1, 1998, and prior to January 1,  
27 1999, equal to three per cent of such amount paid or incurred by the  
28 corporation during such income year; for any income year  
29 commencing on or after January 1, 1999, and prior to January 1, 2000,  
30 equal to four per cent of such amount paid or incurred by the  
31 corporation during such income year; and for any income year  
32 commencing on or after January 1, 2000, equal to five per cent of such  
33 amount paid or incurred by the corporation during such income year.

34 (c) The amount of credit allowed to any corporation under this  
35 section shall not exceed the amount of tax due from such corporation  
36 under this chapter with respect to such income year.

37 (d) No corporation claiming the credit under this section with  
38 respect to a human capital investment as defined in subsection (a) of  
39 this section shall claim a credit against any tax under any other  
40 provision of the general statutes against any tax with respect to the  
41 same investment.

42 (e) Any tax credit not used in the income year during which the  
43 investment was made may be carried forward for the five immediately  
44 succeeding income years until the full credit has been allowed.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2017, and applicable to taxable years commencing on or after January 1, 2017</i>	12-217x

***Statement of Purpose:***

To establish a tax credit program for employers who provide on-site day care.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*

Co-Sponsors: REP. KLARIDES, 114th Dist.; REP. CANDELORA, 86th Dist.  
REP. HOYDICK, 120th Dist.; REP. MINER, 66th Dist.  
REP. O'NEILL, 69th Dist.

H.B. 5109